

**Minutes
City Council/Redevelopment Agency
City of Huntington Beach**

Monday, July 6, 2009
4:00 PM - Room B-8
6:00 PM - Council Chambers
Civic Center, 2000 Main Street
Huntington Beach, California 92648

**An audio recording of the 4:00 PM portion of this meeting
and a video recording of the 6:00 PM portion of this meeting
is on file in the Office of the City Clerk and is archived at
www.surfcity-hb.org/government/agendas/**

4:00 PM - ROOM B-8

CALL TO ORDER

Mayor Bohr called the Study Session portion of the City Council/Redevelopment Agency meeting to order at 4:01 PM and announced that pursuant to Resolution No. 2001-54, Mayor Pro Tem Green and Councilmember Hardy have requested to be absent from tonight's meeting.

ROLL CALL

(The City Council granted permission for the absence of Mayor Pro Tem Green and Councilmember Hardy, pursuant to Resolution No. 2001-54.)

Present: Carchio, Dwyer, Bohr, Coerper (arrived at 4:07 PM), and Hansen
Absent: Green, and Hardy

ANNOUNCEMENT OF LATE COMMUNICATION

Pursuant to the Brown "Open Meetings" Act, Assistant City Clerk Robin Lugar announced the following late communications received pertaining to the Study Session portion of the City Council/Redevelopment regular meeting of July 6, 2009:

Communication received by Councilmember Jill Hardy entitled *Notice of Absence* dated July 2, 2009.

Communication received by Mayor Pro Tem Green entitled *Notice of Absence* dated July 6, 2009.

PowerPoint communication submitted by the Police and Fire Departments entitled *Public Safety Staffing Plan, Summer 2009*.

PowerPoint communication submitted by the Public Works Department dated July 6, 2009, entitled *Viability of Utilizing Assessment Districts for the Purpose of Funding Public Infrastructure in Huntington Beach*.

Communication submitted by M. Catlett dated July 3, 2009 entitled *Surf City Pipeline: Comment on Agenda Items* (Closed Session - T-Mobile USA).

PUBLIC COMMENTS PERTAINING TO STUDY SESSION / CLOSED SESSION ITEMS (3 Minute Time Limit) - None.

STUDY SESSION

(City Council) Study Session Held - Updated the City Council on the status of three objectives identified in the Council's Six Month Strategic Objectives: 1) Financial Reserve Policy; 2) Assessment District feasibility; 3) Public Safety services plan for tourist season

City Administrator Fred Wilson introduced Bob Wingenroth, Director of Finance, who provided a PowerPoint presentation dated July 6, 2009, entitled *Reserve Policy Review*. Slide topics included: Why Look at Reserves; Current Fund Balance Presentation; Focus on Dollars Available; Current Policy; Proposed Change; Fund Balance Comparison; Household Example (Emergency); Triggers to use Reserves; Calculation Using Our Project for the Coming Year; Proposed Fund Balances Using September 30, 2008 Data; Annual Allocation Process; and Benefits.

Director Wingenroth and Councilmember Dwyer discussed how the policy responds to the current shortfall, and also prepares for future years, trends, and the potential for a long-term, upward direction.

Director Wingenroth and Councilmember Carchio discussed how the proposal simplifies the current process and would allow the City to provide key services for two months in the event of an emergency. Discussion ensued on what the current policy allows - 7%, or one month of reserves.

Councilmember Dwyer, Director Wingenroth and City Administrator Wilson discussed the current reserve fund being out of balance by approximately \$4 million, and the process the City would follow to repay funds borrowed from reserves.

Councilmember Hansen asked about how equipment replacement dollars are currently programmed and voiced concerns about their use for reserve purposes. City Administrator Wilson explained the "pay as you go" program currently in place, and how short-term Capital Improvement Project (CIP) requests have been shut down. Director Wingenroth stated the benefits of providing a spending mechanism every year (a surplus assurance). Discussion ensued on reserves and designations.

Councilmember Hansen spoke in favor of increasing reserves and a collapsible second-tier reserve, but stated that the CIP is not a reserve fund that should be collapsed to free up designations. He also stated that City taxpayers deserve a funded capital reserve, along with set-aside funds for equipment replacement needs.

Councilmember Coerper voiced concerns with retaining a two-month reserve, and the disposition of funds budgeted for capital projects currently placed on hold. City Administrator Wilson explained that capital project monies are budgeted, not spent. Director Wingenroth explained how the proposed 2-month reserve would be distributed.

Mayor Bohr questioned if the City receives a bond rating for sticking to a discipline for reserves, and Director Wingenroth confirmed.

Councilmember Coerper and Deputy City Administrator Paul Emery discussed programming funds for the CIP budget being separate from the General Fund.

Councilmember Hansen discussed being open to elimination of the second tier reserve for emergency purposes. Councilmember Dwyer voiced support for Councilmember Hansen's stance to retain a balance and plan for equipment replacement, rather than continue with the City's current process of "pay as you go."

Councilmembers expressed thoughts on how to proceed with the reserve policy. Councilmember Hansen suggested that the term "emergency" be clearly defined.

City Administrator Wilson introduced Todd Broussard, a Public Works Principal Civil Engineer, who provided a PowerPoint presentation dated July 6, 2009, entitled *Viability of Utilizing Assessment Districts for the Purpose of Funding Public Infrastructure in Huntington Beach*. Presentation slide titles included: Historical Perspective; Currently Unfunded Infrastructure Needs: block walls, alleys; Infrastructure Funding Options; Benefit Assessments; Assessment District Formation; Financing Improvements under Assessment District; Block Wall Assessment District; and Alley Assessment Districts.

Council expressed concerns about the \$20,000 annual cost identified for homeowners with retaining walls to participate in an assessment district.

Staff introduced Joan Cox, Consultant with Harris and Associates, to provide information on alley assessment.

Councilmember Dwyer asked if homeowners must consider prevailing wage restrictions when hiring a wall contractor. Staff responded "no," explaining the hard costs identified relate to a typical wall situation. Discussion ensued regarding meeting City codes, problems associated with deeding walls back to property owners, and providing dollar values to sell the idea of an assessment district. Engineer Broussard discussed costs associated with bond counseling.

City Engineer Tony Olmos discussed the option to quitclaim deed a wall to the property owner, public right-of-way requirements, and how the majority of the walls in question reside on major arterials.

City Attorney Jennifer McGrath stated that a change in ownership does not automatically trigger bringing a wall up to City specification, stating a need to have regulations in place that are enforced by ordinance on a reactive basis.

Mayor Bohr directed staff to bring back more information that addresses specifications and process, street vacation, aesthetics, required resources, etc.

Police Captain Chuck Thomas provided a PowerPoint presentation entitled *Public Safety Staffing Plan - Summer 2009*. Slide titles included Summer Staffing Goal; Summer Considerations; Police Officers; Communications Bureau; Jail Bureau; Records Bureau; Staffing Plan and Budget Reduction Strategy; Marine Safety Division; Summer (Beach) Considerations; Summer Deployment; Summer Events; and Fire Department Cost Analysis for Summer Events.

Councilmember Coerper and staff discussed the amount of officers included in the Marine Safety Division, as five officers, supplemented by 50 seasonal lifeguards spread over an 18-hour period.

Fire Chief Olson presented information on Fire Department cost analysis for summer events such as the 4th of July, AVP Volleyball Tournament and U.S. Open of Surfing.

Mayor Bohr and Chief Olson discussed fully-burdened costs.

Councilmember Dwyer stated his opinion that the City should allow safe and sane fireworks to acquire retail sales tax that would not only benefit the City, but also the charities that sponsor fireworks sales for fundraising. Chief Olson discussed fire and injury issues and the potential for legal fireworks business arrangements being modified into illegal operations (e.g. flying missiles, airborne fireworks; illegal fireworks enter with the safe and sane).

Councilmember Carchio reiterated concerns about the City's failure to increase promoter/vendor fees during large-scale events. Chief Olson explained that vendors pay for additional emergency response during large promotional events.

Discussion ensued on the amount of tickets issued for illegal fireworks on July 4th, the number of assigned Fire personnel, Police personnel, and Prevention Specialists.

RECESS TO CLOSED SESSION

A motion was made by Coerper, second Dwyer to recess to Closed Session. The motion carried by the following roll call vote:

AYES:	Carchio, Dwyer, Bohr, Coerper, and Hansen
NOES:	None
ABSENT:	Green, and Hardy

CLOSED SESSION

Pursuant to Government Code § 54956.9, the City Council recessed into closed session to confer with the City Attorney regarding the following lawsuit: Catherine Denise Cranford v. City of Huntington Beach, et al., Orange County Superior Court Case No. 30-2008-001106397. Plaintiff, a former supervisor in the City's jail, has sued the City alleging violation of her right to privacy in releasing confidential medical information and has sued the City and another jail supervisor alleging sexual harassment and retaliation based on her sexual orientation.

Pursuant to Government Code Section 54956.9(b)(3)(A), the City Council recessed to Closed Session to confer with its attorney regarding potential litigation. Facts and circumstances that might result in litigation against the local agency but which the local agency believes are not yet known to a potential plaintiff or plaintiffs, which facts and circumstances need not be disclosed. Number of Potential Cases: Unknown at this time. Subject: Potential Litigation re Site License Agreement with Omnipoint Communications, Inc. (A T-Mobile USA, Inc, Subsidiary) for Wireless Telecommunication Facility at Harbour View Park.

Pursuant to Government Code Section 54957.6, the Council recessed to Closed Session to meet with its designated labor negotiators: Fred Wilson, City Administrator; Paul Emery, Deputy City Administrator; Michele Carr, Director of Human Resources; and Bob Wingenroth, Finance Director, regarding labor discussions with MEO, MEA, PMA, FMA, HBPOA, and HBFA.

Pursuant to Government Code Section 54956.8, the City Council recessed to Closed Session to give instructions concerning price and terms of payment to the City's Negotiator, Deputy City Administrator Bob Hall, regarding negotiations with the owner of 317 5th Street in Huntington Beach.

Pursuant to Government Code Section 54956.9, the City Council recessed into closed session to confer with the City Attorney regarding the following lawsuits [and potential lawsuits]: Whether the City Attorney should be directed to file a petition for review of the actions, or failure to act, of the Regional Water Quality Control Board with respect to Order No. R8-2009-0030, NPDES Permit No. CAS618030 adopted on May 22, 2009.

6:00 PM - COUNCIL CHAMBERS

RECONVENE CITY COUNCIL/REDEVELOPMENT AGENCY MEETING

Mayor Bohr reconvened the City Council/Redevelopment Agency meeting at 6:02 PM. Pursuant to Resolution No. 2001-54, Mayor Bohr read into the record a request from Councilmember Hardy and Mayor Pro Tem Green to be absent from tonight's meeting.

ROLL CALL

(The City Council granted permission for the absence of Mayor Pro Tem Green and Councilmember Hardy pursuant to Resolution No. 2001-54.)

Present:	Carchio, Dwyer, Bohr, Coerper, and Hansen
Absent:	Green, and Hardy

CLOSED SESSION REPORT BY CITY ATTORNEY

The City Attorney reported that by a vote of 5-0-2 (Councilmembers Green and Hardy absent), the City Council authorized a letter to be written to T-Mobile, aka Omnipoint, regarding the position that they have valid permits and a license agreement, and that the City is willing to put on the ballot for Measure C election in November, 2010.

PLEDGE OF ALLEGIANCE - Led by Councilmember Coerper

INVOCATION - Led by Dr. Reverend Peggy Price, Huntington Beach Interfaith Council

ANNOUNCEMENT OF LATE COMMUNICATION

Pursuant to the Brown "Open Meetings" Act, Assistant City Clerk Robin Lugar announced the following late communications received by the City Clerk's Office following distribution of the City Council agenda packet:

Communication submitted on Agenda Item No. 1 by Mayor Keith Bohr dated July 2, 2009, entitled *Charter Review*, noting his appointment to subject committee has changed and will be Jerry Bame.

Communication submitted for Agenda Item No. 17 by Cari Swan of Wallcon, Inc. dated July 3, 2009, entitled *Pierside Pavilion, 300 Pacific Coast Highway – 7/6 Council Mtg* that included attached correspondence from Aaron Pai, Huntington Surf and Sport, untitled and dated June 30, 2009, Jonno Wells, Surfline/Wavetrack, Inc., untitled and dated June 23, 2009, Jack Covey, Skyhill Financial, Inc., untitled and dated June 27, 2009, and Dave Walling, Wallcon, Inc., entitled *Pierside Pavilion Renovations - 300 Pacific Coast Highway*.

Communication submitted for Agenda Item No. 17 by the Economic Development Department dated July 6, 2009, entitled *Late Communication – Administrative Item 17 – Pierside Pavilion Owner Participation Agreement (OPA)*.

COMMUNICATION RECEIVED DURING THE MEETING

Communication received from Richard Plummer on Agenda Item No. 17 undated, entitled *Subject: Pierside Pavilion*.

AWARDS AND PRESENTATIONS

PRESENTATION: Mayor Bohr invited Ron Kenedi, Vice President of Sharp Solar Energy Solutions Group, to receive a proclamation setting goals for a five year program to have Huntington Beach "Go Solar." Mr. Kenedi spoke about the "Hometown Solar Rebate Program" and referred to Sharp's commitment to engaging the Huntington Beach community to achieve a clean emissions-free environment. He also referred to an article that appeared in the Los Angeles Times regarding solar energy and presented a PowerPoint Presentation describing the installation and costs of energy-efficient solar systems.

PRESENTATION: Mayor Bohr invited Mike Eich, Junior Lifeguard Program Coordinator to introduce the Junior Guard Lifeguard Team from New Zealand. Coordinator Eich described the Junior Lifeguard Program and the "exchange" program where junior lifeguards from around the world are able to come to Huntington Beach. He noted that the sister city of Waitakere, New Zealand has been the most involved in the exchange. The coach from the New Zealand team introduced his coaches and team members and described the success of the exchange program. The team demonstrated a traditional "challenge" dance.

ANNOUNCEMENT OF CENTENNIAL MONTH: Mayor Bohr invited Joyce Riddell, President of the Huntington Beach Chamber of Commerce representing the Centennial Celebration Committee to announce July as Business Month. Joyce Riddell gave an overview of the events scheduled for the month to celebrate business in the community including the Awards Luncheon. The award categories included: The Legacy Awards for businesses with at least two generations of family, the Athena Awards to a distinguished female business woman, and the Outstanding Citizen Award to a long-time community volunteer. Ms. Riddell introduced the Chairs of the "Business Scavenger Hunt" who described the program which had more than seventy businesses participate. The purpose of the hunt was to emphasize the role of small business in Huntington Beach. The Mayor drew the winner's names of the Scavenger Hunt drawing.

PUBLIC COMMENTS (3 Minute Time Limit)

(The number following the speaker's comments reflect the approximate point in time in the archived video the speaker appears at <http://www.surfcity-hb.org/government/agendas>)

John Woods, President of Sunset Beach Sanitary District, requested that the City Council support the Sanitary District's "terminus" sphere of influence, rather than the "transitional" sphere of influence recommended by LAFCO. (00:30:48)

Margaret Tracy, resident, spoke in opposition to the cell phone tower in Bolsa View Park, and noted a petition collected with over 100 residents' signatures. Ms. Tracy requested "true costs" in the installation of a cell tower, which she understood will eventually be placed somewhere in the area. She stated she would like to work with T Mobile and the City in the eventual installation of the tower to come up with livable options. (00:32:31)

Mayor Bohr clarified that the City would send a letter to T Mobile that they had the required permits and that the item may be placed on the 2010 ballot.

Kris Richau spoke about the costs of a cell tower and explained Measure C, which allows the Huntington Beach voters to have a say in the building of certain cell towers exceeding \$100,000 in the City. Ms. Richau outlined costs of various types of cell towers and noted the type of tower required would be in violation of Measure C. (00:34:35)

Greg Griffin requested that the City Council support the Seal Beach Sanitary District's request for their existing "terminus" sphere of influence, rather than the "transitional" sphere of influence recommended by LAFCO. (00:37:20)

Kim Kramer, resident of downtown Huntington Beach, spoke in opposition of the development at Pierside Pavilion and expressed concerns with the perceived City Council pro-downtown development stance. Mr. Kramer believes that the downtown development is "squeezing out" current downtown residents and encouraged the Council to keep the movie theatre as part of the Pierside project. (00:39:54)

Clint Orr affirmed the position of the previous speaker and noted his contacts with other theatre companies. He began his feasibility study for his Downtown "Golden Bear" theatre project and described his desired assembling and development of downtown properties. (00:42:58)

Mike Adams, representing the Pierside Pavilion project, noted that he and other representatives were available to respond to any questions on tonight's Agenda Item No. 17 regarding the development. (00:45:42)

Chris Montana, Huntington Beach resident and former Sunset Beach resident, spoke in opposition to having the Sunset Beach Sanitary District be included in the Huntington Beach's sphere of influence as recommended by LAFCO. Ms. Montana requested City Council support for the Sanitary District's position. (00:46:40)

Ron McLin spoke in opposition to the proposed Pierside Pavilion project which he believes will bring significant parking, safety and density issues. Mr. McLin suggested using redevelopment funds to refurbish the existing theatre rather than allow the developer to remove the theatre. (00:48:45)

Robert Johnson spoke in opposition to the City's affordable housing program and referred to the existing issues at the Cape Ann development. (00:51:54)

Richard Plummer, resident, expressed concerns that there was no public hearing for the proposed Pierside Pavilion project and that the project would negatively impact the density in the downtown area. Mr. Plummer also referred to the negative impacts of the parking and increase in bar/restaurant space. (00:55:05)

Mark Bixby acknowledged Huntington Beach residents' support of open space and parks. Mr. Bixby commended the Bolsa View residents who researched the cell tower issue in relation to the Measure C requirements. He noted that other cell tower sites are available. (00:58:25)

George R. Baker spoke about the Bolsa View cell tower issue and the impacts of the California Environmental Protection Act (CEQA) on the proposed project. He expressed concerns over his belief that the City Council has not performed the required CEQA procedures in regard to this project. (01:01:05)

COUNCIL COMMITTEE / APPOINTMENTS / LIAISON REPORTS AND ALL AB 1234 DISCLOSURE REPORTING

1. (City Council) Appointed Ralph Bauer, Mark Bixby, Patrick Brenden, Shirley Dettloff, Gregory Harnett, Tim Stuart, Dave Sullivan, and Shane Whiteside as the eight at-large members of the Charter Review Commission; and, Richard Hart, Thomas Papademetriou, Dianne Thompson, and Ken Maylone as alternate's at-large.

Mayor Bohr described the process for selecting the Committee members.

A motion was made by Coerper, second Carchio to appoint Ralph Bauer, Mark Bixby, Patrick Brenden, Shirley Dettloff, Gregory Harnett, Tim Stuart, Dave Sullivan, and Shane Whiteside as the eight at-large members of the Charter Review Commission and four alternate at-large members in ranked order as follows: 1) Richard Hart, 2) Thomas Papademetriou, 3) Dianne Thompson, and 4) Ken Maylone. The motion carried by the following roll call vote:

AYES:	Carchio, Dwyer, Bohr, Coerper, and Hansen
NOES:	None
ABSENT:	Green, and Hardy

Mayor Bohr also announced the following individual appointments of Richard Harlow (Carchio), Gary Kutscher (Dwyer), Sharie Sneddon (Green), Jerry Bame (Bohr, as amended by late communication), Marijo Johnson (Coerper), Joe Shaw (Hardy), and Ray Silver (Hansen).

CITY ADMINISTRATOR'S REPORT - None.

RECESS CITY COUNCIL/REDEVELOPMENT AGENCY MEETING - 7:10 PM

2. CIVIC IMPROVEMENT CORPORATION MEETING

CALL TO ORDER

Mayor Bohr convened the Huntington Beach Civic Improvement Corporation meeting at 7:10 PM.

ROLL CALL: Carchio, Dwyer, Green, Bohr, Coerper, Hardy, Hansen

Present: Carchio, Dwyer, Bohr, Coerper, and Hansen
Absent: Green, and Hardy

ELECTION OF OFFICERS

A motion was made by Coerper, second Carchio to elect Keith Bohr, President of the Civic Improvement Corporation; Cathy Green, Vice President of the Civic Improvement Corporation and Joan L. Flynn, Secretary of the Civic Improvement Corporation. The motion carried by the following roll call vote:

AYES: Carchio, Dwyer, Bohr, Coerper, and Hansen
NOES: None
ABSENT: Green, and Hardy

APPROVE CIVIC IMPROVEMENT CORPORATION MINUTES

A motion was made by Hansen, second Coerper to approve and adopt the minutes of the July 7, 2008 Regular Meeting of the Civic Improvement Corporation as written and on file in the Office of the Secretary. Submitted by the Secretary. The motion carried by the following roll call vote:

AYES: Carchio, Dwyer, Bohr, Coerper, and Hansen
NOES: None
ABSENT: Green, and Hardy

President Bohr adjourned the Huntington Beach Civic Improvement Corporation Meeting at 7:15 PM.

RECONVENE CITY COUNCIL/REDEVELOPMENT AGENCY MEETING

Mayor Bohr reconvened the City Council/Redevelopment Agency meeting at 7:15 PM.

CONSENT CALENDAR (Items #3 through #14)

The City Council pulled forward the following Consent Calendar items for discussion: 6 (Dwyer), 9 (Carchio), 10(Carchio), 11 (Carchio), 13 (Coerper) and 14 (Carchio). Councilmember Hansen noted for the record that he would be abstaining from voting on item number 3. The remaining items were approved in one motion/vote.

3. (City Council/Redevelopment Agency) - Approved and adopted minutes.

A motion was made by Coerper, second Carchio to approve and adopt the minutes of the City Council/Redevelopment Agency regular meeting of June 15, 2009, and the minutes of the City Council/Redevelopment Agency special meeting of June 22, 2009, and a revision to page 2 of

the City Council/Redevelopment Agency regular meeting minutes of June 1, 2009 as written and on file in the Office of the City Clerk. The motion carried by the following roll call vote:

AYES: Carchio, Dwyer, Bohr, and Coerper
NOES: None
ABSTAIN: Hansen
ABSENT: Green, and Hardy

4. (Redevelopment Agency) Approved and authorized the Chairman and Agency Clerk to execute a three year Professional Services Contract with Kane, Ballmer and Berkman in the amount of \$150,000 for legal services.

A motion was made by Coerper, second Carchio to approve the "Professional Services Contract Between the Redevelopment Agency of the City of Huntington Beach and Kane, Ballmer and Berkman for Legal Services;" and, authorize the Chairman and Agency Clerk to execute the contract. The motion carried by the following roll call vote:

AYES: Carchio, Dwyer, Bohr, Coerper, and Hansen
NOES: None
ABSENT: Green, and Hardy

5. (City Council) Approved the appointment of Michael Spaulding as an at-large member to the Design Review Board (DRB), with a term to expire on December 31, 2012, as recommended by City Council Liaisons Mayor Keith Bohr and Councilmember Joe Carchio.

A motion was made by Coerper, second Carchio to approve the appointment of Michael Spaulding to the Design Review Board for a term to expire on December 31, 2012, as an at-large member. The motion carried by the following roll call vote:

AYES: Carchio, Dwyer, Bohr, Coerper, and Hansen
NOES: None
ABSENT: Green, and Hardy

6. (City Council) Adopted City Council Resolution No. 2009-34 revising and restating the Fee Schedule for civil fines for Municipal Code violations.

Councilmember Dwyer expressed concerns with increasing fees during this tough economic time.

A motion was made by Coerper, second Hansen to adopt Resolution No. 2009-34, "A Resolution of the City Council of the City of Huntington Beach Revising and Restating the Fee Schedule for Civil Fines for Municipal Code Violations." The motion carried by the following roll call vote:

AYES: Carchio, Bohr, Coerper, and Hansen
NOES: Dwyer
ABSENT: Green, and Hardy

7. (City Council) Approved and authorized the Mayor and City Clerk to execute Amendment No. 1 to the Professional Services Contract between the City of Huntington Beach and Advocations,

Inc. reducing the contract amount to an annual limitation of \$35,000 from \$70,000 for state lobbyist services, and the ability to grant a one-year extension.

A motion was made by Coerper, second Carchio to approve and authorize the Mayor and City Clerk to execute "Amendment No. 1 to Agreement Between the City of Huntington Beach and Advocation, Inc." The motion carried by the following roll call vote:

AYES:	Carchio, Dwyer, Bohr, Coerper, and Hansen
NOES:	None
ABSENT:	Green, and Hardy

8. (City Council) Adopted Resolution No. 2009-35 to accept the California Coastal Commission's approved modifications to Local Coastal Program Amendment (LCPA) No. 07-001 (CCC LCPA No. 1-07B); and, adopted No. 2009-36 amending the Huntington Beach Zoning and Subdivision Ordinance by amending sections 230.14 and 231.18 thereof to conform Local Coastal Program Amendment No. 1-07B to modifications made by the California Coastal Commission.

A motion was made by Coerper, second Carchio to adopt Resolution No. 2009-35, "A Resolution of the City Council of the City of Huntington Beach, California, Which Acknowledges Receipt of the Coastal Commission Action and Accepts and Agrees to Local Coastal Program Amendment No. 1-07B As Modified;" and, adopt Resolution No. 2009-36, "A Resolution of the City Council of the City of Huntington Beach Amending the Huntington Beach Zoning and Subdivision Ordinance by Amending Section 230.14 and 231.18 Thereof to Conform LCP Amendment No. 1-07B to Modifications Made by the California Coastal Commission." The motion carried by the following roll call vote:

AYES:	Carchio, Dwyer, Bohr, Coerper, and Hansen
NOES:	None
ABSENT:	Green, and Hardy

9. (City Council/Redevelopment Agency) Approved and authorized the Mayor and City Clerk to execute Amendment No. 1 to the professional services contract between the City of Huntington Beach and Integrated Design Services, Inc. in an amount not to exceed \$120,000 for construction management and support services for the seismic retrofit of the Civic Center Tower; authorized the Director of Building and Safety to expend an additional \$120,000 for the contract with Integrated Design Services for a total contract amount not to exceed \$388,530; authorized the Director of Public Works to expend an additional \$480,000 in change orders with Metro Builders (CC-1306) for a total of \$1,660,968 (28%); and, authorized the Redevelopment Agency to appropriate \$600,000 from the Merged Redevelopment Agency Capital Project Fund, into account 305.

Councilmember Carchio inquired as to whether the "outstanding contractor claims" would be removed from the contract. Staff noted that the amount will be subject to negotiations with the contractor. In response to an inquiry from Councilmember Dwyer, staff noted that there may be change orders in order to complete the project, but at this time, staff is taking a position to deny certain claims that support the Outstanding Contractor Claims figure of \$200,000 identified on page 9-6 of the staff report.

A motion was made by Carchio, second Coerper to approve "Amendment No. 1 to Professional Services Contract Between the City of Huntington Beach and Integrated Design Services, Inc. for Construction Management and Support Services for the Seismic Retrofit of the Civic Center Tower;" and authorize the Mayor and City Clerk to execute the amended agreement; and, authorize the Director of Building and Safety to expend an additional \$120,000 for the contract with Integrated Design Services for a total contract not to exceed \$388,530; and, authorize the Director of Public Works to expend an additional \$480,000 in change orders for a total of \$1,660,968 (28%); and, approve the appropriation of \$600,000 from the Merged Redevelopment Agency Capital Project Fund, into account 305. The motion carried by the following roll call vote:

AYES:	Carchio, Dwyer, Bohr, Coerper, and Hansen
NOES:	None
ABSENT:	Green, and Hardy

10. (City Council) Approved Animal Care Services contract renewal Exhibit B with the County of Orange for FY 2009/10; and, authorized the Chief of Police to expend up to \$615,982 for animal care services.

Councilmember Carchio inquired as to the increase of ten percent. Staff noted that services to the City remain the same, however, the costs for the County to provide the service has increased.

A motion was made by Coerper, second Carchio to approve and authorize the Mayor to execute "Exhibit B to Agreement for Provision of OC Animal Care Services with City of Huntington Beach July 1, 2009 Through June 30, 2010;" and, authorize the Chief of Police to expend up to \$615,982 for animal care services. The motion carried by the following roll call vote:

AYES:	Carchio, Dwyer, Bohr, Coerper, and Hansen
NOES:	None
ABSENT:	Green, and Hardy

11. (Redevelopment Agency) Adopted Resolution No. 376 providing new guidelines for consideration of financial participation by the Redevelopment Agency in the In-Lieu Parking Fee Program.

In response to an inquiry from Councilmember Carchio, staff responded that the resolution allows the City to provide more services to businesses and that all recommendations would go through the Economic Development Committee (EDC).

A motion was made by Carchio, second Coerper to adopt Resolution No. 376, "A Resolution of the Redevelopment Agency of the City of Huntington Beach Repealing Resolution No. 268, Providing New Guidelines for Consideration of Financial Participation in the In-Lieu Parking Fee Program." The motion carried by the following roll call vote:

AYES:	Carchio, Dwyer, Bohr, Coerper, and Hansen
NOES:	None
ABSENT:	Green, and Hardy

12. (City Council) Approved the appointments of Phillip Inglee and Katherine Elford to the Personnel Commission for their first four-year term effective July 1, 2009 through June 30, 2013 as recommended by Council Liaisons Mayor Keith Bohr and Councilmembers Jill Hardy and Gil Coerper.

A motion was made by Coerper, second Carchio to approve the Personnel Commission appointments of Phillip Inglee and Katherine Elford to their first four-year terms, effective July 1, 2009 through June 30, 2013 as recommended by the Council Liaisons to the Personnel Commission. The motion carried by the following roll call vote:

AYES:	Carchio, Dwyer, Bohr, Coerper, and Hansen
NOES:	None
ABSENT:	Green, and Hardy

13. (City Council) Appropriated \$500,000 for the Sewer Lateral Repair and Maintenance Program.

Councilmember Coerper inquired as to the increase of \$500,000 for the Sewer Service Fund. The City Administrator explained the City had to increase the original appropriation of \$1.4 million due to unanticipated costs associated with residents' increased interest in the program. In the future, staff will be looking to potentially increase the sewer service charge to cover the program. That item will come back to the Council later this summer.

A motion was made by Coerper, second Carchio to appropriate \$500,000 from the Sewer Service Fund (511) unappropriated fund balance to general ledger account 51185201.67730 (Sewer Lateral Maintenance). The motion carried by the following roll call vote:

AYES:	Carchio, Dwyer, Bohr, Coerper, and Hansen
NOES:	None
ABSENT:	Green, and Hardy

14. (Redevelopment Agency) Approved the City of Huntington Beach First-Time Homebuyers Downpayment Assistance Program; rescinded the Purchase Foreclosures Program approved by the City Council on December 15, 2008; and, authorized the Agency Executive Director and Chairperson to execute all Agency Counsel approved documents necessary to implement the program.

Councilmember Carchio inquired as to the number of homes which would fall under this program. Staff responded that this program was developed as a "basket" for stimulus funds and described various components of the program. He noted that between 15 - 30 homeowners can be assisted at the start of the program.

Councilmember Dwyer expressed support for this type of assistance program.

A motion was made by Carchio, second Coerper to rescind the Purchase Foreclosures Program that was approved by City Council on December 15, 2008; and, adopt and approve the City of Huntington Beach First-Time "Homebuyer Downpayment Assistance Program;" and, authorize the Agency Executive Director and Chairperson to take any action and execute all Agency Counsel approved documents and agreements necessary to implement the First-Time

Homebuyers Downpayment Assistance Program. The motion carried by the following roll call vote:

AYES: Carchio, Dwyer, Bohr, Coerper, and Hansen
NOES: None
ABSENT: Green, and Hardy

ADMINISTRATIVE ITEMS

15. (City Council) - Request to approve a City Council position on legislation, a regulation or budget issues pending before a federal, state, or regional government as recommended by the City Council Intergovernmental Relations Committee (IRC).

A motion was made by Hansen, second Coerper to SUPPORT HR 2371 - American Clean Energy and Security Act of 2009; and, SUPPORT AB 715 (Caballero) - City Ordinances.- Posting and Publishing Requirements as amended on June 8, 2009; and, SUPPORT SB 4 (Oropeza) - Public Resources: State Beaches and Parks: Smoking Ban as amended on May 5, 2009; and, SUPPORT AB 676 (Jeffries) - Sales and Use taxes: Consumer Destination Management as amended on May 21, 2009. The motion carried by the following roll call vote:

AYES: Carchio, Dwyer, Bohr, Coerper, and Hansen
NOES: None
ABSENT: Green, and Hardy

16. (City Council/Redevelopment Agency) Approved Resolution No. 2009-37 opposing the State's plan to utilize the City's Highway Users Tax Account funds and Redevelopment funds for the purpose of balancing the State budget.

A motion was made by Coerper, second Carchio to approve Resolution No. 2009-37, "A Joint Resolution of the City and Redevelopment Agency of Huntington Beach Authorizing the City Attorney/Redevelopment Agency General Counsel to Cooperate with the League of California Cities, the California Redevelopment Association, other Cities and Counties in Litigation Challenging the Constitutionality of any Seizure by State Government of the City's Street Maintenance and Redevelopment Funds." The motion carried by the following roll call vote:

AYES: Carchio, Dwyer, Bohr, Coerper, and Hansen
NOES: None
ABSENT: Green, and Hardy

17. (Redevelopment Agency) Approved an Owner Participation Agreement (OPA) between the Redevelopment Agency and Pierside Pavilion, LLC for the continued redevelopment of the site located at 300 Pacific Coast Highway, (between Main Street and Second Street, Walnut Avenue and Pacific Coast Highway) in Downtown Huntington Beach.

Staff presented a PowerPoint Presentation on the "Pierside Pavilion Owner Participation Agreement (OPA)." Slides included history of the project, proposed OPA, existing use, parking, phase one, phase two, and conclusion.

In response to Councilmember Coerper's question, staff noted that a nightclub use is currently allowed in the project as a retail/restaurant that may serve alcohol, but not a bar. The property

owner would have to go through the Planning Commission for alcohol permits.

In response to Councilmember Dwyer, staff responded that the "schedule of performance" penalties should ensure that Phase Two of the project would occur.

In response to Councilmember Hansen, Gary Daichendt, property owner, responded on the marketing efforts to draw theatre tenants into the development. He noted that he has no desire to sell the building and that his corporation is family-owned. Mr. Daichendt spoke about trying to entice family-oriented businesses and restaurants. Councilmember Hansen noted that a theater in this area does not seem to be financially viable and noted his support for this current proposal.

In response to Councilmember Carchio's inquiry, Mr. Daichendt noted that he purchased the property for 27 million dollars. Staff also noted the various penalties that were assessed to other developers and historical involvement of the City in the project.

Councilmember Carchio expressed concerns about assisting the developer if they had not exhausted all efforts to bring a theater to the downtown area. Mr. Daichendt and Consultant Mike Adams responded to various questions from Councilmember Carchio. Councilmember Carchio proposed to increase the penalties to be assessed to the developer for non-compliance with provisions of the agreement.

A motion was made by Carchio to increase the identified penalty of \$50,000 to \$100,000 in year one, and \$10,000 per year thereafter, when the participant extends the schedule of performance dates as indicated in the *Owner Participation Agreement by and between Redevelopment Agency of the City of Huntington Beach and Pierside Pavilion, LLC, Participant*. With no second, the motion failed.

Mayor Bohr expressed support for the current Owner Participation Agreement (OPA) with a long-term owner who has the ability to secure funding for development in exchange for a portion of the parking.

Councilmember Coerper voiced support for the property owner's plans to develop an upscale restaurant project.

A motion was made by Hansen, second Coerper to approve the "Owner Participation Agreement by and between Redevelopment Agency of the City of Huntington Beach and Pierside Pavilion, LLC, Participant." Vote to follow.

Councilmember Carchio noted that the property owner should do what needs to be done to attract tenants and raise sales tax revenue for the City.

Cari Swan, Wallcon, Inc., explained how the property is motivated to move forward and has already submitted structural and architectural plans. She also described what is involved in maintaining the property on a daily basis.

The motion carried by the following roll call vote:

AYES:	Carchio, Dwyer, Bohr, Coerper, and Hansen
NOES:	None

ABSENT: Green, and Hardy

ORDINANCES FOR ADOPTION

18. (City Council) Adopted Ordinance No. 3836 amending the Huntington Beach Municipal Code (HBMC) by deleting section 2.109.070 which requires the members of the Finance Board to complete a Statement of Economic Interest. (Approved for introduction June 15, 2009)

A motion was made by Carchio, second Coerper to after the Assistant City Clerk reads by title, adopt Ordinance No. 3836, "An Ordinance of the City of Huntington Beach Amending the Huntington Beach Municipal Code by Deleting Section 2.109.070 Thereof Relating to Financial Disclosure by the Finance Board." The motion carried by the following roll call vote:

AYES: Carchio, Dwyer, Bohr, Coerper, and Hansen

NOES: None

ABSENT: Green, and Hardy

19. (City Council) Adopted Ordinance No. 3837 amending Chapter 12.37 of the Huntington Beach Municipal Code (HBMC) relating to newsracks; adopt Resolution No. 2009-30 establishing solid colors for all newsracks in the City of Huntington Beach outside the Downtown Specific Plan boundary. (Approved for introduction June 15, 2009)

A motion was made by Coerper, second Hansen to after the Assistant City Clerk reads by title, adopt Ordinance No. 3837, "An Ordinance of the City of Huntington Beach Amending Chapter 12.37 of the Huntington Beach Municipal Code Relating to Newsracks." The motion carried by the following roll call vote:

AYES: Carchio, Dwyer, Bohr, Coerper, and Hansen

NOES: None

ABSENT: Green, and Hardy

20. (City Council) Adopted Ordinance No. 3838 amending the Huntington Beach Municipal Code (HBMC) by deleting section 2.110.070 which requires the members of the Investment Advisory Board to complete a Statement of Economic Interest. (Approved for introduction June 15, 2009)

A motion was made by Hansen, second Carchio to after the Assistant City Clerk reads by title, adopt Ordinance No. 3838, "An Ordinance of the City of Huntington Beach Amending the Huntington Beach Municipal Code by Deleting Section 2.110.070 Thereof Relating to Financial Disclosure by the Investment Advisory Board." The motion carried by the following roll call vote:

AYES: Carchio, Dwyer, Bohr, Coerper, and Hansen

NOES: None

ABSENT: Green, and Hardy

COUNCILMEMBER COMMENTS (Not Agendized)

Councilmember Hansen congratulated the Fourth of July Committee and the Indian Princesses and Guides for their participation in the parade.

Councilmember Carchio introduced a brief presentation regarding the "Surf City Savings" program.

Councilmember Carchio thanked Alessandro and his staff at the Cucina Alessa Restaurant for providing breakfast to military personnel on the 4th of July. He also thanked the Surf City Museum and Huntington Beach Toyota for their efforts in the Fourth of July parade.

Councilmember Dwyer mentioned that the Historical Society will have a Pulitzer Prize nominee speak at their meeting house. He also thanked the Huntington Beach Police and Fire Departments for their efforts on the Fourth of July.

Councilmember Coerper thanked the Police Department, volunteers, and the U.S. Army for their efforts regarding the Fourth of July. Mr. Coerper attended Brigadier General Coombs retirement.

In response to Councilmember Coerper, Police Captain Chuck Thomas provided an overview of the Fourth of July police activity.

Councilmember Coerper reported attending the Troop 1 Eagle Scout Court of Honor for Steven Tyler McMann and his brother Christopher McMann. He thanked Congressman Rohrabacher for his attendance at the event.

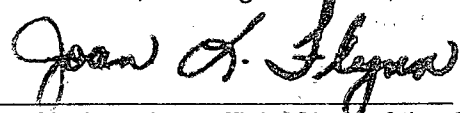
A brief video was shown of the Fourth of July Parade.

Mayor Bohr reported attending the Kiwanis Pancake Breakfast. He thanked Ralph Bauer for his efforts in Diversity Month. He noted that the Magnolia marsh land would be one of the 50 recipients of stimulus funds to restore the wetlands.

Staff noted that DVDs of the Fourth of July parade would be able available from the Community Services Department.

ADJOURNMENT

Council/Agency adjourned at 8:45 PM to the next regularly scheduled meeting on Monday, July 20, 2009, at 4:00 PM in Room B-8, Civic Center, 2000 Main Street, Huntington Beach, California.



City Clerk and ex-officio Clerk of the City Council of the City of Huntington Beach and Clerk of the Redevelopment Agency of the City of Huntington Beach, California

ATTEST:


City Clerk-Clerk
Mayor-Chair